DOCUMENT RESUME

ED 148 192 HE 009 321

TITLE	Health Professions Educational Assistance Act of 1976 (PL 94-484). Amended by Health Services Extension Act of 1977 (PL 95-83, Title III). Fact Sheet.
INSTITUTION	Health Resources Administration (DHEW/PHS), Bethesda, Md. Bureau of Health Manpower.
PUB DATE	Sep 77
NOTE	29p.
AVAILABLE FROM	U.S. Dept. of Health, Education, and Welfare, Public Health Service, Health Resources Administration, Bureau of Health Manpower, Bethesda, Maryland.
EDRS PRICE	MF-$0.83 HC-$2.06 Plus Postage.
DESCRIPTORS	Dentistry; Educational Legislation; Federal Aid; *Federal Legislation; *Financial Support; Graduate Medical Education; *Health Occupations Education; Health Personnel; Higher Education; *Laws; *Manpower Needs; Pharmacy; Physicians; *Primary Health Care; Student Financial Aid; Tuition; Veterinary Medicine
IDENTIFIERS	Allied Health; Foreign Medical Graduates; *Health Professions Educational Assistance Act; Optometry; Osteopathy; Podiatry

ABSTRACT

The Health Professions Educational Assistance Act of 1976, signed into law on Oct. 12, 1976, extends health manpower training authorities through fiscal year 1980 with significant changes to meet national needs. The law (PL 94-484), which amends Title VII of the Public Health Service Act and other laws, is designed primarily to produce more primary care practitioners and improve health services in manpower shortage areas. It provides support for the training of health professions (medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, podiatry, public health, and allied health manpower. This report details the provisions of the new law, including: capitation; health professions special projects; construction assistance; student assistance; foreign medical graduates; allied health programs; public health and health administration programs; funding; authority delegation; tuition increases; shared residency positions; bicultural awareness; and records and audits. Authorizations for fiscal years 1977-80 are also reported in a final table. (LBH)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

FACT SHEET

ED148192

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1976 (PL 94-484)

Amended by Health Services Extension Act of 1977
(PL 95-83, Title III)

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

HE 009321

Revised September 1, 1977

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE · Public Health Service · Health Resources Administration · Bureau of Health Manpower

CONTENTS

INTRODUCTION 1
CAPITATION 3
HEALTH PROFESSIONS SPECIAL PROJECTS 6
Departments of Family Medicine 6
Family Medicine, General Dentistry Training 6
General Internal Medicine, General Pediatrics 7
Area Health Education Centers. 7
Physician Assistants, EFDAs, Dental Teams. 8
Assistance to Disadvantaged Students 8
Transfers from Foreign Medical Schools. 9
Occupational Health Training Centers 9
General Special Project Authority 10
Start-up Grants 10
Financial Distress 10
Interdisciplinary Training. 10
Other Project Purposes 11
Medical School Planning. 11
Initial Development of New Medical Schools 11
Emergency Medical Services Training. 12
CONSTRUCTION ASSISTANCE 13
STUDENT ASSISTANCE 14
National Health Service Corps Scholarships 14
Insured Loans to Health Professions Students. 15
Financial Need First-Year Scholarships. 16
Health Professions Student Loans. 16
Lister Hill Scholarships 16
Health Professions Loan Repayment 17
Indian Health Scholarships. 17
FOREIGN MEDICAL GRADUATES. 18
ALLIED HEALTH PROGRAMS. 20
Allied Health Special Projects 20
Allied Health Traineeships. 21
Assistance to Disadvantaged in Allied Health. 21
PUBLIC HEALTH, HEALTH ADMINISTRATION PROGRAMS 22
Public Health Special Projects 22
Public Health Traineeships. 22
Health Administration Grants 23
Health Administration Traineeships 23
OTHER SIGNIFICANT PROVISIONS. 24
Funding Priority 24
Authority Delegation. 24
Shortage Areas. 24
Health Manpower Data. 24
Tuition Increases. 25
Shared Residency Positions. 25
Bicultural Awareness. 25
Records and Audits 25
HEALTH MANPOWER EDUCATION AUTHORIZATIONS FY'77-80. 26

INTRODUCTION

The Health Professions Educational Assistance Act of 1976, signed into law on Oct. 12, 1976, extends health manpower training authorities through FY 1980 with significant changes to meet national needs. The law (PL 94-484), which amends Title VII of the Public Health Service Act and other laws, is designed primarily to produce more primary care practitioners and improve health services in manpower shortage areas. It provides support for the training of health professions (medicine, osteopathy, dentistry (MOD), veterinary medicine, optometry, pharmacy and podiatry (VOPP)), public health and allied health manpower.

Most existing authorities are extended without change through FY 1977. Most new authorities go into effect in FY 1978 for a 3-year period.

New student assistance programs of insured loans to health professions students, scholarships for first-year health professions students of exceptional need and Lister Hill Scholarships for medical students are established. Authorizations are greatly increased for National Health Service Corps Scholarships. Health professions student loan and loan repayment programs are continued on a more restrictive basis. Unconditional Health Professions Scholarships and Physician Shortage Area Scholarships are phased out.

Health professions capitation grant support is broadened to include public health schools, and the conditions of participation are changed. Medical schools are required in order to receive capitation grants to reserve positions for U.S. citizen foreign medical students and students from U.S. special programs and to train specified percentages of residents in primary care. The construction grant program is amended to provide authority for construction of ambulatory primary care teaching facilities.

Special projects are divided into eight categorical programs and numerous other programs funded under a general authority. Categorical programs include new authorities for Area Health Education Centers; family medicine departments; family medicine and general dentistry training; general internal medicine and general pediatrics training; assistance to disadvantaged students; physician assistant, expanded function dental auxiliary and dental team practice support; and occupational health training centers. Start-up, financial distress and interdisciplinary training programs are authorized under general special project authority. Special project support is available for activities formerly carried out under the Health Manpower Education Initiative Awards program which is phased out. Authority for grants for conversion of 2-year medical schools to M.D. degree-granting institutions is repealed in FY 1978.

Restrictions are tightened on the entry of foreign medical graduates. Special project authority is provided to assist U.S. medical and osteopathic schools to train American students who transferred from foreign medical schools.

Support is continued for allied health, public health and health administration programs with purposes more specifically targeted.

This FACT SHEET presents highlights of programs authorized by the Health Professions Educational Assistance Act of 1976 and administered by the Bureau of Health Manpower (BHM), Health Resources Administration (HRA), Public Health Service (PHS), U.S. Department of Health, Education, and Welfare (HEW). It describes the National Health Service Corps Scholarship Program which is administered by BHM but not the operations of the Corps which also are authorized by PL 94-484 but administered by the Bureau of Community Health Services, Health Services Administration. Also described are the Emergency Medical Services Training Program, authorized by the Emergency Medical Services Amendments of 1976 (PL 94-573), and the Indian Health Scholarship Program, authorized by the Indian Health Care Improvement Act (PL 94-437), two programs authorized under Title VII.

Health professions educational authorities were amended on Aug. 1, 1977, by the enactment of the Health Services Extension Act of 1977 (PL 95-83, Title III). The major changes are included in this revision of the FACT SHEET.

More detailed information on PL 94-484 is available in two other BHM publications, HIGHLIGHT SUMMARY and COMPARISON OF FORMER LAW AND NEW LAW.

Additional information on Health Professions Educational Assistance programs as well as copies of publications mentioned in this FACT SHEET may be obtained from:

Office of Communications
Bureau of Health Manpower
3700 East-West Highway
Hyattsville, Maryland 20782

(301) 436-6448

CAPITATION GRANTS

Effective in FY 1978 the capitation grant program for health professions schools is expanded to include public health schools and the conditions of participation are revised.

Schools of medicine, osteopathy and dentistry are authorized to receive $2,000 for each full-time student enrolled in the 1978-9 school year, $2,050 for each full-time student enrolled in 1979-80 and $2,100 for each full-time student enrolled in 1980-1.

Schools of public health are authorized to receive $1,400 a year for each full-time equivalent student enrolled in the 1978-9, 1979-80 and 1980-1 school years.

Schools of veterinary medicine are authorized to receive $1,450 a year for each full-time student enrolled in the 1978-9, 1979-80 and 1980-1 school years.

Schools of podiatry are authorized to receive $965 a year for each full-time student enrolled in the 1978-9, 1979-80 and 1980-1 school years.

Schools of optometry are authorized to receive $765 a year for each full-time student enrolled in the 1978-9, 1979-80 and 1980-1 school years.

Schools of pharmacy are authorized to receive $695 for each full-time student enrolled (in the last 4 years if the program is longer than 4 years) in the 1978-9, 1979-80 and 1980-1 school years.

Conditions of Participation

All schools must maintain first-year enrollments at the level of the preceding school year or the 1976-7 school year, whichever is greater. They also must maintain their level of non-Federal expenditures. New requirements for the use of standard procedures in reporting of financial information, as prescribed by HEW to enable the Government to determine costs of education or training programs, go into effect in FY 1978 for schools receiving grants.

Medical schools must have specified percentages of filled first-year residency positions in direct or affiliated residency training programs in primary care. Primary care is defined as general internal medicine, family practice or general pediatrics. The required percentages of primary care positions are: 35 percent for FY 1978 grants, 40 percent for FY 1979 grants and 50 percent for FY 1980 grants. Unless this requirement is met by a national average of

all schools on July 15 before a fiscal year begins (e.g., July 15, 1977, for FY 1978), schools individually must meet requirements on July 15 of the following year. No capitation grant may be made to a school that has "disaffiliated" a nonprimary care residency training program to meet the specified percentage requirements but has continued to provide educational support for the program. The number of filled first-year positions in primary care must be reduced by the number of individuals who were in a first-year position the previous year but who are no longer in such a primary care program.

Medical schools also must reserve an "equitable number" of positions in their classes beginning in the 1978-9 school year for U.S. citizens who were students in foreign medical schools before Oct. 12, 1976, and for students of U.S. programs designed to prepare them for the third year of medical school. The U.S. citizen foreign medical students must meet specified requirements including successful completion of at least 2 years of medical school and Part I of the National Board of Medical Examiners' (NBME) examination. The students from U.S. special programs must have completed their program and passed Part I of the NBME examination to be eligible for transfer under this provision. The U.S. special programs, which may include 2-year medical schools, must have been in existence before Oct. 12, 1976. By Aug. 15, 1977, and Aug. 15 of each of the next two years, HEW must identify those individuals eligible for transfer. The requirement for taking transfers may be waived if compliance would cause a school to lose accreditation or if it would prevent a school from providing high quality clinical training for added students because of an insufficient population served by the facility in which the school conducts clinical training. A school is not required to enroll any student who does not meet its entrance requirements other than those related to academic or residence qualifications.

Osteopathic schools must have approved plans for training students in ambulatory care settings either in areas remote from the main teaching site or in areas inhabited by medically underserved populations. All students must receive at least 6 weeks of this training. Plans must go into effect in the 1978-9 school year for FY 1978 capitation grants.

Dental schools must have at least 70 percent of new filled residency positions over those in the 1977-8 school year in general dentistry or pedodontics. Schools also must either increase first-year enrollment over that in the 1976-7 school year by 10 percent (or, if enrollment exceeds 100, by 5 percent or 10 students, whichever is greater) or have approved plans to train all students for at least 6 weeks in ambulatory care settings in areas remote from the main teaching site or in areas inhabited by medically underserved populations. These requirements are to be met in the 1978-9 school year for FY 1978 capitation grants.

Public health schools must increase full-time first-year enrollment in the 1978-9 school year over that in the 1976-7 year by 5 percent or, if enrollment exceeds 100, by 2.5 percent or 5 students, whichever is greater. A waiver is permitted if compliance would prevent a school from maintaining accreditation.

Veterinary medical schools must increase first-year enrollment in the 1978-9 school year over that in the 1976-7 year by 5 percent (or, if enrollment exceeds 100, by 2.5 percent or 5 students, whichever is greater) or enroll at least 30 percent of first-year students from States without an accredited veterinary school. Veterinary schools also must provide assurances that clinical training will emphasize care to food- or fiber-producing animals.

Optometry schools must increase first-year enrollment in the 1978-9 school year over that in the 1976-7 year by 5 percent (or, if enrollment exceeds 100, by 2.5 percent or 5 students, whichever is greater) or enroll at least 25 percent (or 50 percent for nonprofit private schools) of first-year students from States without an accredited optometry school.

Podiatry schools must increase first-year enrollment in the 1978-9 school year over that in the 1976-7 year by 5 percent (or, if enrollment exceeds 100, by 2.5 percent or 5 students, whichever is greater) or enroll at least 40 percent of first-year students from States without an accredited podiatry school.

Pharmacy schools must provide assurances that each student will undergo a training program in clinical pharmacy that will include:

--inpatient and outpatient clerkship experience,
--interaction with physicians and other health professionals,
--training in counseling patients on use of and reactions to drugs and
--training in drug information retrieval and analysis in the context of patient problems.

Appropriation Authorizations

	MOD	Medicine	Osteopathy	Dentistry	Public Health
FY 1977	$133.7 Million				*$ 6.4 Million
FY 1978		$124.2 Million	$ 8.7 Million	$43.8 Million	9.7 "
FY 1979		131.7 "	9.3 "	45.4 "	10.5 "
FY 1980		139.4 "	10.2 "	46.9 "	11.1 "

	VOPP	Veterinary	Optometry	Pharmacy	Podiatry
FY 1977	$29.3 Million				
FY 1978		$10.2 Million	$3.2 Million	$17 Million	$2.3 Million
FY 1979		10.5 "	3.3 "	17.1 "	2.3 "
FY 1980		10.7 "	3.3 "	17.4 "	2.3 "

*FY 1977 authorization under public health formula grants.

HEALTH PROFESSIONS SPECIAL PROJECTS

Special project grant and contract provisions are grouped into eight categorical programs and a general authority for numerous other programs. HEW may not approve or disapprove any application for a special project grant or contract except after consultation with the National Advisory Council on Health Professions Education.

Departments of Family Medicine

New authority is added in FY 1978 for project grants to schools of medicine and osteopathy to establish and maintain academic administrative units to provide clinical instruction in family medicine. Units must be comparable to those of other major clinical specialties in status, faculty and curriculum. They must control a 3-year family practice residency program, or its equivalent as determined by HEW, with the capacity to enroll a total of at least 12 interns or residents a year.

Appropriation Authorizations

FY 1978	$10 Million
FY 1979	15 "
FY 1980	20 "

Family Medicine, General Dentistry Training

Family medicine training grants are replaced in FY 1978 by a new, expanded program that includes contract authority. Eligibility, currently limited to hospitals, is broadened to include schools of medicine or osteopathy or other public or private nonprofit entities. Osteopathic internship training is eligible for assistance. Authority is added to train physicians to teach family medicine, with financial assistance for such physicians. Support for training in the general practice of dentistry is added. Of the funds appropriated for this program, at least 10 percent must be for training in the general practice of dentistry.

Appropriation Authorizations

FY 1977	$39 Million	(former authority)
FY 1978	45 "	
FY 1979	45 "	
FY 1980	50 "	

General Internal Medicine, General Pediatrics

New authority is established beginning in FY 1977 for grants and contracts to schools of medicine and osteopathy to plan, develop and operate approved medical residency programs in internal medicine or pediatrics emphasizing training for practice in general internal medicine or general pediatrics. Financial assistance is authorized for participating residents.

Appropriation Authorizations

FY 1977	$10 Million
FY 1978	15 "
FY 1979	20 "
FY 1980	25 "

Area Health Education Centers

New authority is added in FY 1978 for contracts with schools of medicine and osteopathy to plan, develop and implement Area Health Education Center (AHEC) programs. At least two other health science disciplines, including a dental school if one is affiliated with the medical center, must participate. At least 10 percent of all undergraduate clinical education of the school must be conducted in an AHEC or at locations under the sponsorship of the center. In any AHEC program at least one AHEC must provide for or conduct a medical residency training program in family medicine, general internal medicine or general pediatrics with no fewer than six individuals in first-year positions. A physician assistant or nurse practitioner program must be included. Federal support may not exceed 75 percent of an AHEC's operating funds in any year. HEW is authorized to continue funding in FY 1978 and 1979 of AHEC projects first aided under Health Manpower Education Initiative Awards authority which is repealed effective Oct. 1, 1977. However, these projects, to be funded in FY 1979, must give assurances that they will meet requirements of the new AHEC authority not later than Sept. 30, 1979.

Appropriation Authorizations

FY 1977		(AHEC programs were authorized under HMEIA authorization of $41.2 Million)
FY 1978	$20 Million	plus such sums as necessary
FY 1979	30 "	in FY 1978 and FY 1979 to
FY 1980	40 "	continue existing AHEC contracts.

Physician Assistants, Expanded Function Dental Auxiliaries, Dental Teams

A new categorical authority is provided in FY 1978 for grants or contracts to schools of medicine, osteopathy and dentistry and other public or nonprofit private entities to meet the cost of projects to plan, develop and operate or maintain programs for the training of (1) physician assistants (PA), (2) expanded function dental auxiliaries (EFDA) and (3) dental students in the organization and management of multiple auxiliary dental team practice. The programs must conform to regulations which HEW is required to issue. Regulations must require that a program to train PA's or EFDA's be directed toward preparing students to deliver health care (or assist in provision of dental care) and that it last at least one school year, consist of supervised clinical practice and at least 4 months of classroom instruction and have a minimum enrollment of eight students. A school must have means of placing its graduates. Faculty training costs may be included in the cost of PA and EFDA programs. Dental team practice programs also must meet requirements in regulations issued by HEW.

Appropriation Authorizations

FY 1978	$25 Million
FY 1979	30 "
FY 1980	35 "

Assistance to Disadvantaged Students

The program of support of projects to recruit disadvantaged students into health professions training is replaced in FY 1978 by a new but similar authority Grants and contracts are authorized to MODVOPP and public health schools and other health or educational entities to assist students from disadvantaged backgrounds in entering and completing health professions training. The new authority continues to focus on identifying individuals, facilitating their admission into schools, providing counseling and preliminary education and publicizing sources of financial aid. There is no specific authority to pay stipends to students.

Appropriation Authorizations

FY 1978	$20 Million
FY 1979	20 "
FY 1980	20 "

Transfers From Foreign Medical Schools

New authority is added effective in FY 1977 for grants to schools of medicine and osteopathy to plan, develop and operate programs to assist U.S. students enrolled in foreign medical schools before Oct. 12, 1976, to transfer to U.S. medical or osteopathic schools with advanced standing and to train U.S. students who have already transferred into U.S. schools.

Appropriation Authorizations

FY 1977	$2 Million
FY 1978	2 "
FY 1979	3 "
FY 1980	4 "

Occupational Health Training Centers

New authority is established beginning in FY 1977 for grants to public or private nonprofit colleges or universities to establish, operate and administer occupational health training and education centers through cooperative arrangements between medical schools and schools of public health or other schools or departments in a university. Activities of the centers are to include graduate training in occupational health, continuing education for health professions, recruitment of students and provision of financial support to trainees. To the extent possible, there should be 10 centers, one in each HEW Region.

This provision is administered by the National Institute for Occupational Safety and Health, Center for Disease Control.

Appropriation Authorizations

FY 1977	$5 Million
FY 1978	5 "
FY 1979	8 "
FY 1980	10 "

General Special Project Authority

General authority is established in FY 1978 for start-up, financial distress and interdisciplinary training grants and numerous other project purposes which are to be funded from a single authorization.

Start-up authority is broadened to provide grants to MODVOPP and public health schools. New priorities are established for:

--MOD schools which will conduct exceptionally innovative programs for training in ambulatory primary care or which will have as a major objective the provision of training opportunities for disadvantaged individuals;

--Regional MODVOP (excluding pharmacy) or public health schools; and

--Projects which will meet a national or regional need for members of the profession to be trained.

Special consideration in awarding start-up grants is to be given to schools that:

--will use existing facilities to accelerate the date of opening;

--are located in a health manpower shortage area; or

--are medical or osteopathic schools in a State without such a school.

HEW may award a grant for a new school if it plans to enroll at least 24 students. The year before a school enrolls students, it may receive a maximum of $10,000 times the number it expects to enroll in its first year. In the first year a school enrolls students, the factor is $7,500 times the number of students; in the second year, $5,000 times the number of students enrolled; and in the third year, $2,500 times the number of students enrolled.

Of the amount appropriated for general special project purposes in any year, not more than $5 million may be obligated for start-up grants.

Financial distress authority is broadened to provide for contracts in addition to grants and to include public health as well as MODVOPP schools. Grants or contracts may be awarded to assist in (a) meeting costs of operation of a school in serious financial distress or meeting accreditation requirements in case of special need and (b) carrying out appropriate operational, managerial and financial reforms. The amount of a grant to a school is limited to 75 percent of the grant to that school in the preceding year. Of the amount appropriated for general special project purposes in any year, not more than $5 million may be obligated for financial distress grants.

Interdisciplinary training grants are authorized to any health professions, allied health professions or nurse training institution or to any other public or nonprofit private entity for development of programs for cooperative interdisciplinary training.

Other project purposes. HEW is authorized to award grants or contracts to any public or nonprofit private entity for health manpower projects such as:

1) speech pathology, audiology, bioanalysis and medical technology;
2) establishing humanism in health care centers;
3) biomedical combined educational programs;
4) cooperative human behavior and psychiatry in medical and dental education and practice;
5) bilingual health clinical training centers;
6) curriculum development in schools of optometry, pharmacy and podiatry;
7) social work in health care;
8) health manpower development;
9) environmental health education and preventive medicine;
10) special medical problems related to women;
11) development or expansion of regional health professions schools;
12) training of U.S. citizens from foreign health professions schools to enable them to enroll in residency programs in the United States;
13) psychology training programs;
14) ethical implications of biomedical research;
15) establishment of dietetic residencies;
16) regional systems of continuing education;
17) computer technology;
18) training of professional standards review organization staff;
19) training of health professionals in human nutrition and its application to health;
20) health manpower development for the Trust Territories and incorporated Trust Territories of the United States; and
21) training in the diagnosis, treatment and prevention of the diseases and related medical and behavioral problems of the aged.

Appropriation Authorizations

	Start-up	Financial Distress	Interdisciplinary Training & Other	Total
FY 1977	$5.1 Million	$5.4 Million	*	*
FY 1978	Up to $5 "	Up to $5 "	$15 Million min.	$25 Million
FY 1979	" " " "	" " " "	15 " "	25 "
FY 1980	" " " "	" " " "	15 " "	25 "

*1977 authorization under H.P. Special Projects, HMEIA & Computer Technology.

Medical school planning grants totaling $400,000 are authorized only in FY 1977 to meet planning costs of medical schools providing the last 2 years of training in off-site clinical facilities in a health manpower shortage area.

Initial development of new medical schools authority is established to provide grants in FY 1977 ($1.5 million) and FY 1978 ($1.5 million) to institutions of higher education and health care delivery facilities to assist in the early stages of development of new medical schools emphasizing training in family medicine to enable them to meet eligibility requirements for start-up grants.

Emergency Medical Services Training

The program of grants and contracts to train emergency medical services (EMS) personnel under Section 789 (formerly Section 776) of Title VII of the PHS Act is revised and extended for the 3-year period FY 1977-9 by the Emergency Medical Services Amendments of 1976 (PL 94-573).

The list of eligible entities has been expanded to include hospitals with training programs that meet requirements established by HEW and appropriate public entities (defined as a State, unit of general local government or other public entity) which have established an EMS system and have, except with respect to the basic training of emergency medical technicians, entered into an agreement with an appropriate educational entity for a training program. Also eligible are schools of medicine, dentistry, osteopathy and nursing; allied health professions training centers; and other appropriate educational entities.

The new law also eases requirements for applying for support of training under grants for EMS Systems under Title XII of the PHS Act. Under the previous law, before an applicant could be awarded funds for training under Title XII, the application had to be submitted under health professions (Title VII) or nurse training (Title VIII) authorities and rejected or not funded. Now applications for funds for basic training of emergency medical technicians and paramedics, and short-term specialized training or retraining of physicians, nurses or other health care professionals may be submitted directly under Title XII without applying to other programs first. Applications for funding of other types of EMS training also may be submitted directly under Title XII if it has been demonstrated to the satisfaction of HEW that using the old procedure would be "futile or unreasonably burdensome," e.g., if it is known that there are no funds for EMS training under Titles VII or VIII.

At least 30 percent of the funds appropriated for any fiscal year must be used to train physicians in emergency medicine. Financial assistance is authorized for medical residents who plan to work in the practice of emergency medicine.

Appropriation Authorizations

FY 1977	$10 Million
FY 1978	$10 "
FY 1979	$10 "

CONSTRUCTION ASSISTANCE

The program of matching grants to construct health professions teaching facilities is amended effective in FY 1978 to provide funds to build ambulatory primary care teaching facilities. New authority provides for grants to public and nonprofit private entities to assist in the construction of ambulatory primary care teaching facilities to train physicians and dentists. These facilities are defined as areas dedicated to the training of students in ambulatory patient diagnosis and treatment primarily in the specialties of family practice, general pediatrics, general internal medicine, general dentistry and pedodontics.

Of the total appropriated for construction grants, 50 percent is to be obligated for construction of ambulatory care facilities and 50 percent for the existing program of constructing, expanding, replacing or renovating teaching facilities of health professions and public health schools. None of the grants for ambulatory facilities may exceed $1 million or 50 percent of the cost of the facility, whichever is less. In awarding ambulatory grants, special consideration is to be given to entities receiving aid under special project authorities relating to Area Health Education Centers, general internal medicine or general pediatrics and family medicine and the general practice of dentistry.

Existing construction authority is amended to provide a single maximum share of 80 percent of costs in place of various maximums for various types of projects. In the award of grants to medical or osteopathic schools special consideration is to be given to projects for physician training facilities in States without them.

For FY 1977 only, construction authority is amended to allow clinical facilities affiliated with a VOPP school to apply directly for a grant for construction of a facility for the purpose of establishing or expanding a regional health professions program. HEW must give special consideration to applications for facilities for such regional programs which are limited to VOPP schools.

The program of guarantees and interest subsidies on construction loans from non-Federal lenders to private nonprofit schools of MODVOPP and public health is continued and amended. The Federal Government will be allowed to pay the full amount of losses in case of defaults on loans instead of being limited to 90 percent of such losses. Authority is added for guarantees of loans made by the Federal Financing Bank.

Appropriation Authorizations

Fiscal Year	Grants	Interest Subsidies
1977	$103 Million	$24 Million
1978	40 "	2 "
1979	40 "	3 "
1980	40 "	3 "

STUDENT ASSISTANCE*

National Health Service Corps Scholarships

The National Health Service Corps (NHSC) Scholarship (also known as PHS Scholarship) program is revised in FY 1978 and its appropriation authorization greatly increased. Eligibility is expanded to other types of health workers (such as physician assistants, expanded function dental auxiliaries and nurse practitioners) who, if needed by the Corps, may receive scholarships. Funds appropriated for scholarships are to be earmarked so that 81 percent is awarded to students of medicine and osteopathy, 9 percent to dentistry and 10 percent to "other." An applicant failing to accept a scholarship offer is liable for damages of $1,500. The amount of stipend for living expenses is changed to $400 a month with provision for annual increases equal to percentage increases in salaries of Federal employees. Tuition and other reasonable educational expenses also are paid.

Participants are required to perform obligated service on a year-for-year basis with a minimum of 2 years. Obligated service is to be performed as a commissioned or civilian member of the Corps or, under specified conditions, in private practice in a shortage area. At the request of the participant, service of a physician or dentist shall be deferred for up to 3 years to allow completion of internship, residency or other advanced clinical training. The former provision allowing scholarship recipients to credit toward their service obligation periods of internship or residency training in a PHS or NHSC facility is amended to limit such credit to certain individuals receiving scholarships under the program as in effect prior to FY 1978. Students determined by HEW to have exceptional promise for medical research may be permitted to perform their service obligation as a participant in the National Research Service Award program. The penalty for failure to perform obligated service is increased to three times the amount of scholarship assistance, plus interest at the maximum prevailing rate, and is payable in 1 year. No relief is to be available under bankruptcy law until 5 years after payment becomes due.

Appropriation Authorizations

FY 1977	$40 Million (former authority)
FY 1978	75 "
FY 1979	140 "
FY 1980	200 "

*Additional information is contained in the BHM publication, FACT SHEET FOR PORTIONS OF "THE HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE ACT OF 1976" PUBLIC LAW 94-484, ENACTED OCTOBER 12, 1976, WHICH RELATE DIRECTLY TO THE STUDENT ASSISTANCE PROGRAMS IN THE BUREAU OF HEALTH MANPOWER, HEALTH RESOURCES ADMINISTRATION.

Insured Loans to Health Professions Students

A new program of Federally insured loans, patterned after but not identical to the Office of Education Guaranteed Student Loan Program, is established in FY 1978 for health professions and public health students. Students of medicine, osteopathy, dentistry, veterinary medicine, podiatry, optometry and public health could borrow up to $10,000 a year and a total of $50,000. Pharmacy students, who would be eligible only after completion of 3 years of training, could borrow up to $7,500 a year and a total of $37,500. Eligible lenders include a MODVOPP or public health school, a State agency, a financial or credit institution or a pension fund. Loans may be used for tuition and other reasonable educational expenses including fees, books and laboratory expenses. For students to participate in the loan program, their school must be receiving or be eligible to receive a capitation grant under this law. No more than 50 percent of the students in each class of a MOD school can be borrowers under this program.

Interest would be payable by the student throughout the life of the loan at a rate not to exceed 10 percent. The loan principal would be repayable over a 10-15 year period starting 9-12 months after completion of training except that payments of principal would not be required during periods of up to 3 years of internship and residency training or service in the Armed Forces, NHSC, Peace Corps or Volunteers In Service To America (VISTA). At HEW's discretion, borrowers may enter into agreement with HEW for repayment of loans, plus interest, at a rate of not more than $10,000 a year for each year of service in NHSC or in private practice in a manpower shortage area. The minimum service period is 2 years. Defaults on loans would be insured up to 100 percent of principal and interest. To help finance a student loan insurance fund to cover those costs, students would be charged, in addition to interest charges, a premium not to exceed 2 percent of the unpaid principal of their loans. No relief is to be available under bankruptcy law until 5 years after payment becomes due.

This program is administered by the Bureau of Student Financial Assistance, Office of Education.

Appropriation Authorizations

1978	$1.5 Million plus such sums as necessary to help establish insurance fund and meet administrative costs.
1979	Such sums as necessary for administrative costs.
1980	Such sums as necessary for administrative costs.

Financial Need First-Year Scholarships

A new program of scholarships to first-year health professions students of exceptional financial need is authorized beginning in FY 1978. The scholarships will be equal in amount to NHSC scholarships (tuition and other reasonable educational expenses and a stipend of $400 a month for living expenses) but without a service obligation. The scholarships will be awarded by MODVOPP schools.

Appropriation Authorizations

FY 1978	$16 Million
FY 1979	17 "
FY 1980	18 "

Health Professions Student Loans

The Health Professions Student Loan Program is continued with certain changes effective in FY 1978. Students of medicine and osteopathy who will graduate after June 30, 1979, must have "exceptional financial need" to qualify for funds under this program. The maximum amount a student may borrow will be changed from $3,500 a year to the "cost of tuition and $2,500." The interest rate on loans will be increased from 3 percent to 7 percent. Beginning Oct. 12, 1976, health professions students are no longer prohibited from receiving National Direct Student Loans of the Office of Education.

Appropriation Authorizations

FY 1977	$39.1 Million
FY 1978	26 "
FY 1979	27 "
FY 1980	28 "

Lister Hill Scholarships

Lister Hill Scholarships will be awarded by HEW each year beginning in FY 1977 to at least 10 medical students who agree to enter family practice in a health manpower shortage area. A scholarship student will receive up to $8,000 a year for a maximum of 4 years.

Appropriation Authorizations

FY 1977	$80,000
FY 1978	160,000
FY 1979	240,000
FY 1980	320,000

Health Professions Loan Repayment

The Health Professions Student Loan Repayment Program is modified to apply primarily to Health Professions Student Loans. Repayment of other educational loans is authorized if the loan was obtained before Oct. 12, 1976. Certification of the date of execution of the loan is required. Graduates who serve in shortage areas may obtain repayment of up to 85 percent of loans at the rate of 60 percent for the first two years, the minimum service period, and 25 percent for the third year. Repayment cannot exceed $10,000 a year. No authorization for appropriations is specified.

Indian Health Scholarships

Indian Health Scholarships are established by the Indian Health Care Improvement Act (PL 94-437) as a separate authority in the National Health Service Corps Scholarship Program to provide services to Indians. Support is authorized beginning in FY 1978 for students of medicine, osteopathy, dentistry, optometry, pharmacy, podiatry, veterinary medicine, public health, nursing and allied health. The Indian Health Service is to select the recipients, give priority to Indians and determine the distribution of scholarships among health fields according to the needs of Indians. The service obligation must be met by service in the Indian Health Service, in a program assisted under Title V of the Indian Health Care Improvement Act (Health Services for Urban Indians) or in private practice in a health manpower shortage area which serves the health care needs of a substantial number of Indians.

Appropriation Authorizations

FY 1978	$5.5 Million
FY 1979	6.3 "
FY 1980	7.2 "

FOREIGN MEDICAL GRADUATES

In the Findings and Declaration of Policy section, Congress "finds and declares that there is no longer an insufficient number of physicians and surgeons in the United States such that there is no further need for affording preference to alien physicians and surgeons in admission to the United States under the Immigration and Nationality Act." PL 94-484 amends the Immigration and Nationality Act to restrict the entry of alien physicians.

Beginning Jan. 10, 1977, alien physicians wishing to enter the United States as immigrants on the basis of their skills (under preference categories 3 or 6) or as nonpreference immigrants must pass Parts I and II of the National Board of Medical Examiners' (NBME) examination (or an equivalent examination as determined by HEW, such as the Visa Qualifying Examination) and be competent in written and oral English. The Secretary of Labor must continue to provide certification for alien physicians wishing to immigrate under other than family related preference.

Beginning Jan. 10, 1978, alien physicians may no longer enter the U.S. as exchange visitors (J visa) to obtain graduate medical education or training unless:

--A school of medicine (or other accredited health professions school) and affiliated hospital have agreed in writing to provide the training or to assume responsibility for arranging for the training by an appropriate public or private nonprofit institution or agency;

--The alien has passed Parts I and II of the NBME examination (or the equivalent), is competent in written and spoken English, will be able to adapt to the educational and cultural environment, and has adequate prior training;

--The alien is committed to return to his country and his country has given written assurance that there is a need for persons with the skills being acquired in the U.S. training program; and

--The alien will stay no more than 2 years unless additional training (one year maximum) is requested specifically by his country.

The requirements that immigrant and exchange visitor physicians pass Parts I and II of the NBME examination (or the equivalent) and be competent in English do not apply to graduates of Canadian medical schools accreditated by the Liaison Committee on Medical Education and alien graduates of U.S. medical schools. Immigrant aliens of "national or international renown in the field of medicine" are exempt from the professional and language examination requirements. Exempt from the professional examination requirement are aliens who on Jan. 9, 1977, held a valid specialty certificate issued by a board of the American Board of Medical Specialties and were fully licensed and actually practicing medicine in a State.

Two of the exchange visitor requirements (relating to school affiliation and passage of examinations) may be waived for an alien until Dec. 31, 1980, if otherwise there would be a "substantial disruption" in the health services

provided by the graduate medical education program in which the alien seeks to participate. In granting waivers, the Attorney General must assure that the total number of aliens participating in graduate medical programs at any time does not exceed the number of aliens participating on Jan. 10, 1978.

Alien physicians who are in the U.S. as exchange visitors and who wish to apply for permanent resident status are no longer eligible, simply on the basis of permission from their country, for a waiver of the requirement that they first return to their country for a 2-year period.

Special Projects

Existing allied health special project and special improvement grant authorities are replaced in FY 1978 by authority for grants and contracts to eligible entities to assist in planning, developing, demonstrating, operating and evaluating projects to establish:

--A regional or State system for the coordination and management of education and training at various levels for allied health personnel and nurses in educational institutions and their clinical affiliates for the purpose of assuring that the needs for allied health personnel and nurses in the area are met;

--New roles and functions for allied health personnel and methods for increasing the efficiency of health manpower through more effective utilization of allied health personnel in various practice settings;

--New or improved methods of credentialing allied health personnel, including techniques for appropriate recognition of previously acquired training or experience, developed in coordination with the program under Section 1123 of the Social Security Act (Sec. 1123 requires HEW in establishing qualifications for health personnel under the Medicare program to develop methods to determine the proficiency of individuals who do not otherwise meet formal requirements for performing the duties of various types of health care technicians and technologists);

--Programs of recruitment, training and retraining of allied health personnel or to improve such programs;

--Career ladders and programs of advancement for practicing allied health personnel; and

--Continuing education programs for practicing allied health personnel.

Eligible entities include educational entities which provide for allied health personnel education and training and which meet specified standards; States, political subdivisions of States, or regional and other public bodies representing States or political subdivisions of States; entities having a working arrangement with such an educational entity; or other public or nonprofit private entities capable of carrying out the types of projects that can be aided under this authority. Of the amounts appropriated for special project grants and contracts, 50 percent is to be reserved for awards to training centers for allied health professions.

Appropriation Authorizations

FY 1977	$26.8 Million	($15.4 million special project, $11.4 million special improvement grants)
FY 1978	22 "	
FY 1979	24 "	
FY 1980	26 "	

Allied Health Traineeships

Authority for grants to institutions for advanced traineeships in allied health is extended with eligibility limited to personnel being trained as teachers, administrators or supervisors.

Appropriation Authorizations

FY 1977	$3.9 Million (former authority)
FY 1978	4.5 "
FY 1979	5 "
FY 1980	5.5 "

Assistance to Disadvantaged in Allied Health

Authority for grants and contracts for full utilization of talent for allied health professions is replaced in FY 1978 by authority for grants and contracts to public or private nonprofit entities to assist in (1) identifying, recruiting and selecting individuals who are financially or otherwise disadvantaged but who have a potential for allied health professions education, (2) facilitating their entry into training, (3) providing counseling and other services, (4) providing preliminary education and (5) publicizing sources of financial aid.

Appropriation Authorizations

FY 1977	$0.1 Million (former authority)
FY 1978	1 "
FY 1979	1 "
FY 1980	1 "

Special Projects

Authority is established in FY 1978 for grants to assist accredited schools of public health and educational entities (including schools of social work) with accredited graduate programs in health administration, health planning or health policy analysis and planning to meet the costs of special projects to develop or expand programs in (1) biostatistics or epidemiology, (2) health administration, health planning or health policy analysis and planning, (3) environmental or occupational health or (4) dietetics and nutrition.

Appropriation Authorizations

FY 1977	$6 Million (former authority)
FY 1978	5 "
FY 1979	5.5 "
FY 1980	6 "

Public Health Traineeships

Grants are authorized beginning in FY 1978 to accredited schools of public health for traineeships to train enrolled students. Of the amounts received by grantees, at least 45 percent in FY 1978, 55 percent in FY 1979 and 65 percent in FY 1980 is to go to students with previous postbaccalaureate degrees or 3 years' work experience in health services who are studying (1) biostatistics or epidemiology, (2) health administration, health planning or health policy analysis and planning, (3) environmental or occupational health or (4) dietetics or nutrition.

Appropriation Authorizations

FY 1977	$9.9 Million (former authority)
FY 1978	7.5 "
FY 1979	8 "
FY 1980	9 "

Health Administration Grants

Grants are authorized beginning in FY 1978 to public or nonprofit private educational entities (including schools of social work but excluding schools of public health) to support graduate educational programs in health administration, hospital administration and health planning. Programs must have at least 25 graduates a year and spend at least $100,000 in funds from non-Federal sources. Programs also must increase first-year enrollment in the 1978-9 school year by 5 percent over the 1976-7 school year or, if enrollment exceeds 100, by 2.5 percent or 5 students, whichever is greater. Waiver of the enrollment increase requirement is permitted if compliance will prevent the school from meeting accreditation standards. Grant applications must be reviewed by the National Advisory Council on Health Professions Education. The amount of a grant is to equal the program's appropriated amount divided by the number of eligible applicants.

Appropriation Authorizations

FY 1978	$3.2 Million
FY 1979	3.5 "
FY 1980	3.8 "

Health Administration Traineeships

Grants are authorized beginning in FY 1978 to public or nonprofit private educational entities (including schools of social work but excluding schools of public health) with accredited programs in health administration, hospital administration or health policy analysis and planning for traineeships for students. Of the amounts received by grantees, at least 80 percent is to go to students with previous postbaccalaureate degrees or 3 years' work experience in health services.

Appropriation Authorizations

FY 1978	$2.5 Million
FY 1979	2.5 "
FY 1980	2.5 "

OTHER SIGNIFICANT PROVISIONS

Funding Priority. The legislation contains a "funding-trigger" designed to assure that sufficient funds are appropriated for student scholarship programs. Under the provision no funds may be used for any program under Title VII of the PHS Act (the health professions education authorities) in FY 78-80 unless the amounts appropriated for NHSC scholarships and scholarships for first-year students of exceptional financial need are at least (1) the amounts authorized to be appropriated for those programs or (2) 50 percent of the total appropriations under Title VII, whichever is less. This restriction does not apply in any year in which less than 75 percent of the sums authorized for MOD capitation grants are actually appropriated.

Authority Delegation. HEW Regional Offices are prohibited from reviewing or commenting on any grant or contract application under Title VII, including an application for a continuation or modification, for the purpose of presenting it to the National Advisory Council on Health Professions Education. The Regional Offices also are prohibited from awarding, continuing or modifying such a grant or contract.

Shortage Areas. A shortage area is defined as an urban or rural area determined by HEW to have a health manpower shortage, a population group considered to have a shortage, or a public or nonprofit private medical facility or other public facility with a shortage. A medical facility for purposes of this program includes a hospital, State mental hospital, public health center, outpatient medical facility, rehabilitation facility, facility for long-term care, community health center, migrant health center, community mental health center, a Federal facility or a facility of a State correctional institution. HEW is to establish criteria for the designation of health manpower shortage areas. The criteria will consider the ratio of available health manpower to the number of persons in the area or population group; indicators of need such as infant mortality; access to health services and health status; and the percentage of physicians in the area who are employed by hospitals and are foreign medical graduates.

Health Manpower Data. HEW is to collect, compile and analyze health professions data which will initially concern physicians and dentists but may be expanded as needed to cover other health personnel. Grants or contracts may be awarded to States or appropriate nonprofit private entities to establish a uniform health professions data reporting system. HEW is to make a yearly report to the President and Congress by Sept. 1 on the status of health professions personnel. Other sections of the law require HEW to issue several reports on allied health personnel and annual reports on public health and community health personnel.

Tuition Increases. HEW is to establish criteria to determine allowable tuition and educational cost increases for which HEW is to be responsible for payment under any program authorized by this law. The provision applies primarily to National Health Service Corps Scholarships, Indian Health Scholarships and scholarships for first-year health professions students of exceptional financial need.

Shared Residency Positions. Any entity that receives Federal assistance and maintains a residency program in family practice, general internal medicine, general pediatrics or general obstetrics/gynecology must establish a reasonable number of its positions as "shared schedule positions." Such a position is one shared by two residents, each of whom engages in at least two-thirds of the training prescribed for the position and receives at least half the salary.

Bicultural Awareness. HEW is to study and report to Congress on bilingual and bicultural awareness of health professions schools and the effectiveness of admissions examinations at health training institutions in evaluating the qualifications of applicants with limited ability to speak English.

Records and Audits. With the exception of students, all recipients of financial aid under this law must keep such records as HEW is to prescribe to facilitate an audit conducted according to generally accepted auditing standards. Every grant or contract recipient must provide for an annual audit of records. HEW and the Comptroller General are to have access to records and audits.

HEALTH MANPOWER EDUCATION (PL 94-484) AUTHORIZATIONS, FY 1977-80 ($ Millions)

	FY'77	FY'78	FY'79	FY'80	78-80 Total
Capitation					
Medicine	133.7	124.2	131.7	139.4	395.3
Osteopathy		8.7	9.3	10.2	28.2
Dentistry		43.8	45.4	46.9	136.1
Veterinary Medicine	29.3	10.2	10.5	10.7	31.4
Optometry		3.2	3.3	3.3	9.8
Pharmacy		17.0	17.1	17.4	51.5
Podiatry		2.3	2.3	2.3	6.8
Public Health		9.7	10.5	11.1	31.3
Health Professions Special Projects					
Family Medicine Depts.	-	10.0	15.0	20.0	45.0
Family Medicine Residencies	39.0	45.0	45.0	50.0	140.0
Gen. Pediatrics/Internal Med.	10.0	15.0	20.0	25.0	60.0
Area Health Education Centers	-	20.0	30.0	40.0	90.0
Physician Asst./EFDA/Teams	-	25.0	30.0	35.0	90.0
Disadvantaged Assistance	-	20.0	20.0	20.0	60.0
Foreign Medical School Transfers	2.0	2.0	3.0	4.0	9.0
Occupational Health	5.0	5.0	8.0	10.0	23.0
General Special Projects	66.3	25.0	25.0	25.0	75.0
Medical School Planning	.4	-	-	-	-
Medical School Development	1.5	1.5	-	-	1.5
HMEIA	41.2	-	-	-	-
Emergency Medical Training (PL 94-573)	10.0	10.0	10.0	-	20.0
Construction					
Grants	103.0	40.0	40.0	40.0	120.0
Interest Subsidies	24.0	2.0	3.0	3.0	8.0
Student Assistance					
NHSC Scholarships	40.0	75.0	140.0	200.0	415.0
Insured Student Loans	-	1.5	-	-	1.5
Financial Need Scholarships	-	16.0	17.0	18.0	51.0
Student Loans	39.1	26.0	27.0	28.0	81.0
Lister Hill Scholarships	.1	.2	.2	.3	.7
Indian Health Scholarships (PL 94-437)		5.5	6.3	7.2	19.0
Allied Health					
Special Improvement	11.4	-	-	-	-
Special Projects	15.4	22.0	24.0	26.0	72.0
Traineeships	3.9	4.5	5.0	5.5	15.0
Full Utilization	.1	1.0	1.0	1.0	3.0
Public Health, Health Administration					
Special Projects	6.0	5.0	5.5	6.0	16.5
Public Health Traineeships	9.9	7.5	8.0	9.0	24.5
Formula Grants	6.4	(Replaced by Capitation)			
Health Administration Grants	-	3.2	3.5	3.8	10.5
Health Administration Traineeships	-	2.5	2.5	2.5	7.5
TOTAL HEALTH MANPOWER	$597.7	$609.5	$719.1	$820.5	$2,149.2

Note: Authorization totals do not reflect those programs with indefinite authorities.

* U. S. GOVERNMENT PRINTING OFFICE : 1977 241-186/1111